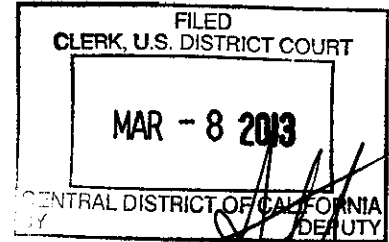


1 **LAW OFFICES OF LIN MEYER, INC.**
2 **LIN M. MEYER [State Bar No. 188677]**
3 4125 Coldstream Terrace
4 Tarzana, California 91356
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7 Attorneys for Plaintiff Anzhey Barantsevich



8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**

10
11 **ANZHEY BARANTSEVICH, an**
12 **individual,**

13 **Plaintiff,**

14 **vs.**

15 **VTB BANK, a Russian corporation, VTB**
16 **CAPITAL AM formerly known as VTB**
17 **BANK ASSET MANAGEMENT, a**
18 **Russian corporation, VTB CAPITAL, a**
19 **New York corporation, and BEAU**
20 **CAMERON, an individual,**

21 **Defendant(s).**

CASE NO. 12 CV 08993 [REDACTED] /AJWx

**PLAINTIFF'S NOTICE OF
MANUAL FILING OF EXHIBITS
TO DECLARATION OF LIN M.
MEYER IN SUPPORT OF
PLAINTIFF'S OPPOSITION TO
VTB BANK'S MOTION TO
DISMISS PLAINTIFF'S
COMPLAINT**

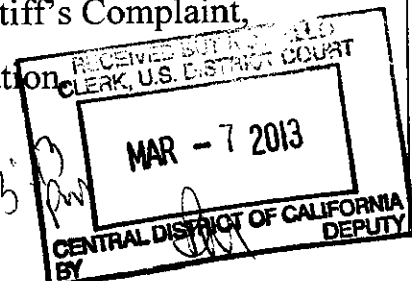
Date: April 1, 2013
Time: 10:00 a.m.
Courtroom: 780 [Roybal]

22 **TO ALL PARTIES:**

23 **PLEASE TAKE NOTICE** that Plaintiff Anzhey Barantsevich has manually
24 filed the Exhibit Nos. 1-25 to the Declaration of Lin M. Meyer in Support of
25 Plaintiff's Opposition to Defendants' Motion to Dismiss Plaintiff's Complaint,
26 copies of which are attached hereto together with said Declaration.

27 **////**

28 **////**



1 This Notice of Electronic Filing of this Notice of Manual Filing is also attached
2 hereto.

3 Dated: March 6, 2013

LAW OFFICES OF LIN MEYER, INC.

4
5 By: 
6 Lin M. Meyer
7 Attorney for Plaintiff Anzhey Barantsevich
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LAW OFFICES OF LIN MEYER, INC.
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Attorneys for Plaintiff Anzhey Barantsevich

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

ANZHEY BARANTSEVICH, an
individual,

Plaintiff,

vs.

VTB BANK, a Russian corporation, VTB
CAPITAL AM formerly known as VTB
BANK ASSET MANAGEMENT, a
Russian corporation, VTB CAPITAL, a
New York corporation, and BEAU
CAMERON, an individual,

Defendant(s).

CASE NO. 12 CV 08993 MMM/AJWx

Assigned to: Judge Margaret M.
Morrow

**DECLARATION OF LIN M.
MEYER IN SUPPORT OF
PLAINTIFF'S OPPOSITION TO
DEFENDANT VTB BANK'S
MOTION TO DISMISS
PLAINTIFF'S COMPLAINT;
MEMOANDUM OF POINTS AND
AUTHORITIES**

Date: April 1, 2013
Time: 10:00 a.m.
Courtroom: 780 [Roybal]

DECLARATION OF LIN M. MEYER

I, Lin M. Meyer, declare as follows:

1. I am an attorney at law, duly licensed to practice before this Court and
am counsel of record for Plaintiff Anzhey Barantsevich. I have personal knowledge
of the facts attested to in this Declaration and if called upon to testify thereto, I could
and would do so.

2. This Declaration is filed in opposition to Defendant VTB Bank's

1 Motion to Dismiss Plaintiff's First Amended Complaint (Document No. 12)
2 ("FAC").

3 3. Defendant VTB Bank contends in Paragraph 10 of Mr. Yuri Soloviev's
4 Declaration (Document No. 12-1) that VTB Bank had no involvement in the alleged
5 loan purportedly made by VTB Capital AM to Zao Beau Laboratories, or the alleged
6 decisions concerning distribution of the funds associated with the loan and that VTB
7 Bank does no business in the United States or California. These statements are
8 refuted by the following evidence, the Declaration of Anzhey Barantsevich, the
9 Declaration of Mark Rabinovich, and the testimony of Alexandra Johnson and Beau
10 Cameron which is attached to this Declaration.

11 4. Alexandra Johnson, a California resident affiliated with VTB Bank, was
12 deposed by me in the State of California Superior Court case entitled Anzhey
13 Barantsevich vs. Beau Cameron and Beau Laboratories Los Angeles, Inc., et al.,
14 LASC No. SC 109621, on or about February 3, 2012. True and correct excerpts
15 from this deposition are attached hereto as Exhibit 1. These excerpts are attached to
16 show that at her deposition Ms. Johnson testified that VTB Bank does business in
17 California, having entered into a Joint Venture here in Menlo, California entitled
18 DFJ VTB Aurora providing venture funds to businesses in the software and
19 technology industries (Deposition pp. 17-21, 22-24); that she participated as a
20 representative of the investment committee of VTB Bank in making the decision to
21 invest in the joint venture of Plaintiff and Beau Cameron which is the subject of the
22 FAC (Deposition pp. 39-40 and 62-66); that she and VTB Bank representatives Sergi
23 Romanov, Uri Soliyov and Sergi Debennev made the decision to enter into the joint
24 venture with Plaintiff (Deposition pp. 39-40); that Oleg Oleynikov, as part of VTB
25 Group's due diligence, evaluated the technology that Beau Cameron presented
26 (Deposition pp. 43-44); that VTB Bank sent a contractor to Los Angeles to evaluate
27 the software (Deposition pp. 51 and 221-222); that VTB Bank accountants
28 questioned Zao Beau Laboratories [the Russia entity set up to carry out the alleged

1 joint venture] Board members about expense reports and budgets of the alleged joint
2 venture which depicted the wired funds (Deposition pp. 79 and 101); that Aidar
3 Kaliev of VTB Capital took over resolving the dispute between Beau Cameron and
4 Plaintiff that developed over the Joint Venture (Deposition pp. 118, and 132); and
5 that VTB Bank did an internal investigation of Beau Cameron's and Plaintiff's
6 claims that the other stole monies funded to the alleged joint venture (Deposition pp.
7 159-160; pp. 203-204).

8 5. Sergey Romanov, identified by Alexandra Johnson as one of the
9 decision makers of VTB Bank making the decision to enter into the alleged joint
10 venture, the subject of Plaintiff's FAC (Document No. 15 filed 01/25/13), appears to
11 be VTB Bank's counsel. I performed an internet search of Mr. Romanov's name
12 along with "VTB" and pulled up www.akingump.com and Mr. Romanov's profile a
13 true copy of which is attached hereto as Exhibit 2. According to Mr. Romanov's
14 profile, he represented both VTB Bank and VTB Capital in their acquisition of
15 Mariysky Oil Refinery.

16 6. Yuri Soloviev, also identified by Alexandra Johnson as one of the
17 decision makers at VTB Bank who approved the decision to enter into the joint
18 venture with Plaintiff, is identified on VTB Bank's website as the First Deputy
19 President and Chairman of VTB Bank's Management Board. A true and correct
20 printout of Mr. Soloviev's profile is attached hereto as Exhibit 3 and can be accessed
21 on the web at www.vtb.com/group/management/guide/Soloviev.

22 7. Finally, Sergi Debennev, also identified by Alexandra Johnson as
23 one of the decision makers at VTB Bank who approved the decision to enter into the
24 alleged joint venture is VTB Bank's Chairman of the Supervisory Council. A true
25 and correct printout of Mr. Debennev's profile is attached hereto as Exhibit 4 and can
26 be accessed on the web at www.vtb.com/group/management/council/dubinin.

27 8. Mr. Oleg Oleynikov, referenced in the FAC (Document No. 15) is listed
28 on the web as the Chief Investment Manager, Associate Director at VTB Capital. A

1 true and correct copy of his Linked In profile is attached hereto as Exhibit 5. The
 2 profile references at the top of the page that Mr. Oleynikov is associated with Lone
 3 Oak Fund LLC –bridge loans \$500k to 12.5mm. Properties located in Southern &
 4 Northern California. Lone Oak Fund is located at 11611 San Vicente Boulevard
 5 Suite 640, Los Angeles California.

6 9. Mr. Barantsevich's (Plaintiff) and Mr. Rabinovich's (Zao Laboratories
 7 Board Member and counsel for Barantsevich and Cameron) Declarations filed
 8 herewith reflect they met at VTB Bank headquarters in Moscow with Yuri Soloviev
 9 and other VTB Bank officials to negotiate the alleged joint venture, including the
 10 funds that had to be wired.

11 10. Per the website of VTB Group, Defendants VTB Bank, VTB Capital
 12 and VTB Capital Asset Management are all part of "VTB Group" which is governed
 13 by a centralized VTB Bank governance board. The Board manages the subsidiaries
 14 by

15 "...exercise of the parent bank's [VTB Bank's] rights as principal
 16 shareholder by means of participation of its representatives in
 17 management bodies of subsidiaries. . ."

18 A true and correct printout of VTB Group's main website is attached hereto as
 19 Exhibit 6 and is available on the web at www.vtb.com. Yuri Soloviev, with whom
 20 Plaintiff met, per his declaration, is listed as First Deputy President and Chairman of
 21 VTB Bank Management Board. The map included in VTB Group today shows
 22 locations throughout Europe and in the United States.

23 11. VTB Bank files a consolidated Financial Statement and Auditor's
 24 Report published publically and prepared by Ernst & Young. A true and correct
 25 copy of the Consolidated Financial Statements and Auditor's report for 31 December
 26 2011 and 2010 is attached hereto as Exhibit 7. At page 7, the Notes to this report
 27 reflect that VTB Bank and its subsidiaries constitute "VTB Group" and at page 12
 28 the Notes state:

“Subsidiaries are those entities, in which the Group has direct or indirect interest of more than one half of the voting rights, or otherwise has power to govern the financial and operating policies so as to obtain benefits from its activities.”

12. Defendant Beau Cameron throughout his testimony at Arbitration in California’s Alternative Resolution Center, Case No. 78M292 continually identified VTB Bank as the entity with whom he was aware that all terms of the alleged Joint Venture were negotiated and approved. True and correct excerpts from the Arbitration transcribed proceedings on November 2, 2011, pp.1062-1063, 1090-1092, 1104-1105, 1186-1168 are attached hereto as Exhibit 8. True and correct excerpts of the Arbitration transcribed proceedings on October 18, 2011 at pp. 323, 392-398 are attached as Exhibit 9.

13. The deposition of Defendant Beau Cameron, a California resident, was also taken in the Arbitration Resolution Centers Case No. 78M2972. True and correct excerpts of his testimony are attached hereto as Exhibit 10, (September 27, 2011 Deposition pp. 779, 783-785, 787), Exhibit 11 (September 14, 2011 Deposition pp. 535-536, 572-573, 586-587, 638-639, 641, 676), Exhibit 12 (August 25, 2011 Deposition pp. 38-40, 68-69, 192, 229-231, 259, 312-314), and Exhibit 13 (September 13, 2011 Deposition pp. 329, 343, 351, 372-373, 376 377, 398, 401, 445, 451, 454-456, 480,-481). The foregoing testimony is attached to show that again Defendant Beau Cameron also believes the entity contracting with Plaintiff and himself to develop the software was VTB Bank.

14. Aidar Kaliev, also specifically mentioned in the FAC (Document No. 15) as one of the acting representatives of VTB Bank, is evidently representing VTB Bank’s interest with respect to its California Joint Venture DFJ Aurora VTB Capital Aurora at website www.dfjaurora.com. As previously referenced, Ms. Alexandra Johnson testified that VTB Bank is partnered with DFJ, a California funding company. On the DFJ VTB Capital Aurora website for this partnership “Our Team”

1 includes Aidar Kaliev, listed as Managing Director, Global Head of Venture Capital,
2 VTB Capital and Alexandra Johnson, Managing Director, DFJ VTB Capital Aurora.
3 The posted address for DFJ VTB Capital Aurora is Menlo Park, California. A true
4 and correct printout from this website is attached hereto as Exhibit 14.

5 15. Aidar Kaliev is also depicted as a member of the team at VTB Capital
6 Investment Management at www.vtbcapital-im/our_team. A true and correct copy of
7 a printout from this website is attached as Exhibit 15. At VTB Capital's website at
8 www.vtbcapital.com, Aidar Kaliev is listed as a representative of VTB Capital. A
9 printout from this website is attached hereto as Exhibit 16.

10 16. Attached hereto as Exhibit 17 is a true and correct printout of VTB
11 Group's 2011 Annual report. At page 322 of the Exhibit, VTB Group indicates that
12 VTB Capital Asset Management "operates in the USA, Europe and Countries of the
13 Asia-Pacific region" and has operated since the year 2007.

14 17. Per Plaintiff Anzhey Barantsevich's Declaration, he and his then lawyer
15 David Wheeler, requested a meeting with VTB Bank and met with VTB Bank
16 representatives in California in early 2010 to discuss that Plaintiff was falsely
17 accused by Defendant Beau Cameron of converting the \$1,050,000 in funds he wired
18 to Vestax and Bigland per VTB Bank instructions. The VTB Bank representative in
19 attendance was Victor Belogub. Mr. Belogub, per an article pulled off the web, is
20 the Chief Investment Manager at VTB Capital. A true and correct printout from the
21 web of this article is attached hereto as Exhibit 18.

22 18. Attached hereto as Exhibit 19 is a true and correct copy of a printout
23 from the website address www.vtb.com/ir/disclosure/structure which depicts the
24 Shareholder Structure of VTB Bank as 16.0864% GDRs issued through Bank of
25 New York International Nominees.

26 19. In or about late 2011 or early 2012, I was contacted by a Mr. Gary
27 Amato, a Colorado attorney, who told me that he was hired by VTB Bank to
28 represent Zao Beau Laboratories interests in the outcome of the litigation pending in

1 the California Superior Court LASC Case Nos. SC 107179 and SC 109621 between
 2 Beau Cameron, Beau Laboratories Los Angeles, Inc. and Plaintiff Anzhey
 3 Barantsevich. Even though his client was not a party to the lawsuits, Mr. Amato
 4 was very desirous of settling the lawsuits. He said he could even control Beau
 5 Cameron and his attorneys, and on several occasions offered a walk-away and
 6 mutual release of all parties and the judgment Beau Cameron obtained in the
 7 Arbitration Proceeding between Plaintiff and his private company Beau LLC. True
 8 and correct copies of Mr. Amato's most recent emails made on behalf of Zao Beau
 9 Laboratories and/or VTB Bank are collectively attached hereto as Exhibit 20 and are
 10 offered only to prove Mr. Amato was acting on VTB Bank and Zao's behalf here in
 11 the United States. When Plaintiff refused these offers, Mr. Amato told me that there
 12 is no way your client can ever collect any money in these cases because Beau
 13 Laboratories has no assets or monies, and Beau Cameron is judgment proof. He
 14 adamantly told me, your client "cannot pursue VTB Bank in Russia because if he
 15 comes there, under Russian Law he will be immediately arrested and imprisoned."

16 20. Apart from the imminent threat of arrest Plaintiff faces, Russia is not a
 17 viable forum for trial of this case because the integral parties and witnesses reside
 18 here in California:

19 A. Defendant Beau Cameron resides in Culver City, California, see
 20 proof of service attached as Exhibit 21;

21 B. Plaintiff Anzhey Barantsevich resides in Encino, California;

22 C. Mark Rabinovich, Zao Beau Laboratories Board Member resides in
 23 the County of Los Angeles, State of California;

24 D. Alexandra Johnson, a VTB Bank representative and Zao Beau
 25 Laboratories Board Member resides in California; and

26 E. Beau Laboratories Los Angeles, Inc. (and its current and past
 27 employees) is located in Culver City, California;

28 F. Beau Cameron Inc., the entity formed to own Barantsevich's and

1 Cameron's interest in Zao Beau Laboratories, is located in Venice California;

2 G. Messrob Torikian [he created a falsified software evaluation VTB
3 used to defraud investors] resides in Los Angeles, California;

4 H. Bank of America, Los Angeles—the entity Beau Laboratories Los
5 Angeles, Inc. banked with was convinced to turn over Beau Laboratories funds to
6 Beau Cameron and VTB overlooked this.

7 21. The acts complained of in the FAC (Document No. 15) occurred here in
8 Los Angeles as Plaintiff alleges he received the wiring instructions in Los Angeles
9 and gave the wiring instructions to Mark Rabinovich in Los Angeles, who wired the
10 funds from a Los Angeles Bank. Beau Laboratories Los Angeles, Inc. received all
11 the funding from VTB Bank and claims the wired funds were stolen from it here in
12 Los Angeles. FAC ¶¶ 18-23. The litigation VTB allegedly funded against Plaintiff
13 to force him to take the blame for kickbacks VTB Bank and Cameron received, and
14 the alleged money laundering occurred here in Los Angeles, California. VTB
15 negotiated with Plaintiff and Cameron in San Jose, California and came to inspect
16 the Software in Venice, California and hired a local contractor here to do the work.

17 22. Moreover, VTB Bank has sufficient minimum contacts with this forum
18 state as to make it just to try this action here as:

19 A. VTB Bank required as part of the Joint Venture Agreement that the
20 parties form and operate Beau Laboratories Los Angeles, Inc. in California to
21 develop the software for the Joint Venture. Beau Laboratories Los Angeles, Inc. is a
22 wholly owned subsidiary of Zao Beau Laboratories (a shell company formed to own
23 Beau Laboratories LA which is owned by VTB Bank and Beau Cameron Inc.);

24 B. VTB Bank entered into a partnership in California to provide
25 funding for technology companies like Beau Laboratories Los Angeles, Inc., i.e.,
26 DFJ VTB Aurora;

27 C. VTB reports on its website it operates globally throughout Europe
28 and the United States;

1 D. Per Alexandra Johnson's testimony, VTB Bank employed her here
2 in California on a contract basis;

3 E. Per Alexandra Johnson's testimony, VTB sent and employed
4 contractors to Los Angeles to investigate the software Beau Laboratories LA was
5 developing here;

6 F. VTB Bank set up VTB Capital's offices in the United States, in the
7 State of New York.

8 23. On or about October 23, 2012, Plaintiff attempted to serve VTB Bank
9 two ways:

10 A. A copy of the Summons and Complaint was mailed by Registered
11 Mail return receipt requested to the following addresses:

12 1) VTB Bank at 43 Ul. Vorontsovskaya, Moscow, Russia
13 109044

14 2) VTB Asset Management at 452 Fifth Avenue, 23rd Floor,
15 New York, NY 10018.

16 B. A courtesy copy of the Summons and Complaint was served on
17 Gary Amato who identified to me he was hired by VTB Bank to represent Zao Beau
18 Laboratories.

19 24. Plaintiff could not serve VTB Bank via the Hague Convention as Russia
20 has refused to accept service of United States originating complaints due to a long
21 term dispute. See attached copy of Affidavit of John Pierceall attached hereto as
22 Exhibit 22, the original of which will be filed with Plaintiff's Ex Parte Motion for
23 Appointment of Special Process Server in the event the Rule 4d waivers are not
24 signed.

25 25. Since then, Maria Melendez, counsel for all the VTB entity defendants
26 has advised that VTB Asset Management and VTB Capital will accept service
27 pursuant to Rule 4d waivers. A true and correct copy of counsel's email is attached
28 hereto as Exhibit 23.

1 26. At the Case Management Conference on February 25, 2013, Ms.
2 Melendez represented that VTB Bank had not yet confirmed they will accept service
3 pursuant to the Rule 4(d) waiver but she expected that VTB Bank would likewise
4 agree to accept service via a Rule 4d waiver.

5 27. Attached hereto as Exhibit 24 is a true and correct copy of a printout of
6 the LinkedIn page for VTB Capital, at www.linkedin.com/company/vtb-capital
7 which describes, on page 3 thereof under "About VTB Capital" the business of VTB
8 Capital and states that is operates in various locations, including New York.

9 28. Attached hereto as Exhibit 25 is a true and correct copy of excerpts of
10 the deposition testimony of Mark Rabinovich taken on February 1, 2011 by opposing
11 counsel representing Beau Laboratories Los Angeles, Inc. in the Los Angeles
12 Superior Court Case No. SC 109621, which are attached to show that VTB Bank
13 directly participated in the scheme to cause Plaintiff to wire illegal kickback monies
14 to Russia.

15 I declare under penalty of perjury under the laws of the United States of
16 America that the foregoing is true and correct.

17 Executed on the 6th day of March, 2013, at Tarzana, California.

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20 _____
21 LIN M. MEYER
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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

ANZHEY BARANTSEVICH, an)	
individual,)	
)	
Plaintiff,)	
)	
vs.)	No. SC 109621
)	
BEAU CAMERON, an individual;)	
BEAU LABORATORIES LOS ANGELES,)	
INC., a California)	
corporation; and DOES 1)	
through 50, inclusive,)	
)	
Defendants.)	
)	
AND RELATED CROSS-ACTION.)	
)	

Deposition of ALEXANDRA JOHNSON, taken on
behalf of the Plaintiff and Cross-Defendant, at 2225,
East Bayshore Road, Suite 200, Palo Alto, California,
commencing at 10:24 a.m., Friday, February 3, 2012,
before Jane H. Stuller, CSR No. 7223, RPR.

1 company; is that correct?

2 A. Should I explain how a venture fund works?

3 It's -- the management -- a management company with
4 management fees, and then there's an upside upon the
5 return of the investments. And then when that happens,
6 then managing directors get stock in the companies they
7 sit on boards of.

8 Q. Okay. So in sitting on the board of ZAO Beau
9 Laboratories at some point, if there was a return on
10 that investment, you would get stock in that company; is
11 that correct?

12 A. That was the understanding at the time.

13 Q. Have you done work with VTB Bank in the past
14 before this venture with-- that became ZAO Beau
15 Laboratories?

16 A. The DFJ formed a partnership VTB, so I started
17 working with VTB in that capacity in 2006.

18 Q. Did VTB Bank own an interest in DFJ?

19 A. No.

20 MR. FIGUEIREDO: Objection to the extent it
21 calls for speculation.

22 BY MS. MEYER:

23 Q. Now, what -- you said they formed a
24 partnership?

25 A. Yeah. They're two separate entities. They are

1 not related. They formed the joint venture, so they are
2 -- there's two separate entities.

3 Q. What's the point of their joint venture?

4 MR. FIGUEIREDO: Objection; calls for
5 speculation.

6 THE WITNESS: To create -- to create the Russia
7 fund.

8 BY MS. MEYER:

9 Q. Okay. Do you know -- are you -- since your
10 counsel is making these objections, do you know what the
11 purpose of the joint venture is? Are you in a position
12 to know that?

13 A. Yes.

14 Q. And you said it's to create Russian funds. Can
15 you be more specific than that?

16 A. VTB wanted to have a venture fund. DFJ is a
17 venture fund working globally. VTB was seeking DFJ's
18 experience in running a fund. VTB is an investor in
19 that fund.

20 Q. Okay. Is DFJ also an investor in that fund?

21 A. DFJ is a part of a joint venture and a part of
22 the management team.

23 Q. So DFJ owns its part of that joint venture
24 through another joint venture. Is that what you're
25 saying?

1 A. I would rather not talk about it because it's a
2 different company. DFJ has nothing to do with this
3 case, and I'm not really in a position to know what
4 their interest is in there financially.

5 Q. Is there some reason why you don't want to
6 disclose the name of that company?

7 A. Which company?

8 MR. RAPKIN: Objection; irrelevant.

9 MS. MEYER: What I'm trying to find out is, is
10 VTB -- the VTB joint venture that -- you said that
11 there's a joint venture through which you -- you are
12 partic -- your company is a part of a joint venture that
13 participates with VTB, and I'm just trying to find out
14 the name of that joint venture.

15 A. The ZAO Beau Labs is not a part of this
16 venture, and it has nothing to do with that joint
17 venture.

18 Q. I understand ZAO Beau Laboratories had nothing
19 to do with the joint venture. But if I understood your
20 testimony before, you said that VTB Bank and DFJ formed
21 a partnership where they were going to create a Russian
22 fund. And then I asked you if you -- and you said VTB
23 was an investor in that joint venture. And I asked if
24 DFJ was an investor in that -- that joint venture as
25 well, and you said it was through another joint venture.

1 So I'm trying to find out the name of the company that's
2 partnered with VTB Bank.

3 A. The joint venture was formed in January of this
4 year, so it's really not relevant to our discussion
5 about Beau or ZAO Labs.

6 Q. Well, I understand that you don't think it's
7 relevant, but could you please answer my question.

8 MR. FIGUEIREDO: No. I think the witness has
9 answered to the extent that I can see any relevance to
10 the case. I'm going to instruct the witness not to
11 answer on the grounds that it's proprietary,
12 confidential, trade secret information of a venture
13 having absolutely no relationship to this case
14 whatsoever.

15 MS. MEYER: The name of the joint venture is
16 trade secret information? Is that what you're telling
17 me?

18 MR. FIGUEIREDO: I'm going to instruct the
19 witness not to answer, yes.

20 MS. MEYER: Well, I'm going to just state,
21 Counsel, that I think that's inappropriate because the
22 relationship with VTB Bank could well impact this case
23 because VTB Bank is -- my understanding is funding your
24 offices today to appear for -- on behalf of Sasha
25 Johnson or Alexandra Johnson.

1 And if VTB is involved in doing that, I think
2 that I'm entitled to know what the relationship between
3 Ms. Johnson's company is and VTB Bank.

4 THE WITNESS: Oh, that is different. So
5 Ms. Johnson has a relationship with VTB capital. We
6 have a consulting agreement. And I'm operating and
7 working with VTB based on that consulting agreement
8 between me as an individual and them as a bank.

9 BY MS. MEYER:

10 Q. Okay. But you have a consulting agreement
11 that's separate and apart from the fact that your
12 company itself has a relationship with VTB Bank; is that
13 correct?

14 A. Yes.

15 Q. Okay. And is there something secret about the
16 name of the company participating in that joint venture
17 with VTB Bank that you feel it would be improper to --

18 A. It's not secret. It's just not relevant.

19 MR. RAPKIN: Objection; irrelevant, and let's
20 move on.

21 MS. MEYER: I think it goes to the issue of
22 bias, and I think I'm entitled to know the name of the
23 company.

24 MR. RAPKIN: She's told you she's not going to
25 answer the question.

1 THE WITNESS: Well, Lin, it's on the website.
2 It's public information. You know you're welcome to
3 look it up.

4 BY MS. MEYER:

5 Q. Well, I'm also asking you the question. If
6 it's public information, you shouldn't have a problem
7 telling me.

8 A. Well, I'm acting on the advice of my attorney.

9 MR. FIGUEIREDO: Why don't you just tell her
10 what the website is. Describe the website, and let's
11 move on.

12 THE WITNESS: Okay. It's DFJ-VTB Aurora.

13 BY MS. MEYER:

14 Q. A-U-R-O-R-A?

15 A. A-U-R-O-R-A.

16 Q. Okay. And how did you -- how were you
17 introduced to VTB Bank?

18 A. I knew them from my previous work.

19 Q. And where were you working when you met them?

20 A. I came to Moscow to explore Russian
21 opportunities for DFJ.

22 Q. I'm sorry. I couldn't hear you -- I couldn't
23 hear your answer.

24 A. I came to Moscow to explore Russian
25 opportunities for DFJ, and that's when I met VTB.

1 Q. And who did you meet at VTB when you came
2 there?

3 A. They are not associated with the bank anymore.
4 I can give you the names, but they are not there, Andrei
5 Zuzin -- Z-U-Z-I-N.

6 Q. Okay. Andrei Zuzin was your -- was your
7 contact at VTB Bank?

8 MR. FIGUEIREDO: Objection; vague as to time.

9 THE WITNESS: I know a lot of people at VTB
10 Bank, so I -- I don't know what exactly the question is.
11 BY MS. MEYER:

12 Q. Okay. Well, let's go to your VTB consulting
13 agreement. What do you do for VTB under that consulting
14 agreement?

15 A. I help them evaluate technologies. And once in
16 a while I sit on the board of the portfolio companies
17 they form.

18 Q. So all of the companies that VTB forms, are
19 they all in partnership with the Russian government?

20 MR. FIGUEIREDO: Objection -- objection; calls
21 for speculation. Objection to the extent this is
22 proprietary and trade secret information involved in
23 ventures having nothing to do with ZAO Beau Labs.
24 Ms. Johnson can certainly answer with respect to ZAO
25 Beau Labs. But beyond that, at least at the present,

1 I'm going to instruct her to restrict her answer to ZAO
2 Beau Labs.

3 THE WITNESS: VTB is a private bank, and it has
4 a venture department. And it makes investments based on
5 the -- on the list of requirements which a company needs
6 to meet. And it's a private bank that makes decisions
7 by the managing directors of that venture department.
8 BY MS. MEYER:

9 Q. Well, isn't it true they also got grants from
10 the Russian government?

11 A. I don't know what the bank does with the
12 Russian government.

13 Q. Okay. Well, you do know in the case of ZAO
14 Beau Laboratories; do you not?

15 A. ZAO Beau Labs is one of the companies where VTB
16 invested. I don't know where VTB get its funds.

17 Q. You're boyfriend, Mr. -- I'm going to spell his
18 name -- A-Z-A-M-I-R-Z-Y-A-N, what is his relationship
19 with VTB bank?

20 A. What?

21 MR. FIGUEIREDO: Objection. What is the --
22 objection to the characterization of "boyfriend."
23 Assumes facts not in evidence. Ms. Meyer, if you want
24 to ask questions about the case, you're welcome to. If
25 you want to ask personal questions, we're going to

1 Q. Okay. And you only know about it publicly, you
2 don't know the gentleman personally; is this correct?

3 A. What is your question?

4 Q. My question is, do you know this gentleman?

5 A. I do know this gentleman.

6 Q. Okay. And he is head of the Russian venture
7 capital company. What does the Russian venture capital
8 company do?

9 MR. RAPKIN: Objection; irrelevant.

10 MR. FIGUEIREDO: Objection; calls for
11 speculation.

12 THE WITNESS: Well, the Russian venture company
13 is also publicly known information. They are an
14 institute for development which supports
15 entrepreneurship and innovation in Russia.

16 BY MS. MEYER:

17 Q. Okay. And aren't they a government-funded
18 organization?

19 A. That's correct.

20 Q. And they're a government organization that
21 oversees and gives Russian money out to various
22 industries and, in fact, would be the entity that would
23 oversee giving money to VTB Bank for formation of ZAO
24 Beau Laboratories; is that correct?

25 MR. RUBENSTEIN: Object on the basis that the

1 question is vague and compound.

2 MR. FIGUEIREDO: Object; vague and calls for
3 speculation.

4 MS. MEYER: You can answer the question.

5 THE WITNESS: Part of the activities as a fund
6 to fund -- to invest in other venture funds.

7 BY MS. MEYER:

8 Q. And are they not the company that oversaw the
9 investment in VTB Bank?

10 A. They were an investor in the fund of -- formed
11 with VTB.

12 Q. Okay. Is that company a referral source for
13 your business as well?

14 A. No.

15 Q. I'm going to ask you what documents -- to
16 describe the documents that you brought with you today.

17 MR. FIGUEIREDO: Ms. Meyer, I'm trying -- I'll
18 describe them. There's Johnson000001 through Johnson
19 000396. There's 396 pages of Bates numbered documents
20 in a stack that I have on the desk right here.

21 MS. MEYER: Okay. If you don't want to -- I
22 thought I could make it easy for you and have you give
23 me a general description; but I'll just go through the
24 notice, and we'll see what you've produced.

25 MR. FIGUEIREDO: If you want a general

1 don't know.

2 BY MS. MEYER:

3 Q. You don't know if you applied for a job?

4 A. I don't know who -- what the process was.

5 Q. Well, you were denied a job by VTB Bank,
6 correct?

7 A. I'm not sure about the statement.

8 MR. FIGUEIREDO: Objection; vague.

9 BY MS. MEYER:

10 Q. Isn't it true that you sought a job with VTB
11 Bank and they denied you the job?

12 A. I was not seeking a job.

13 Q. Well, you said you don't know what the process
14 was. So did you come to somehow be up for a job at VTB
15 Bank?

16 A. VTB approached me asking me to do it, and we
17 agreed that a consulting agreement is better.

18 Q. And is that because of security concern with
19 respect --

20 A. I'm not aware of that.

21 Q. Have you ever been convicted of a felony?

22 MR. FIGUEIREDO: Hold on. Ms. Meyer, I'm just
23 asking Ms. Johnson to wait until you're done with your
24 questions before she responds so that the court reporter
25 can record each person one at a time.

1 Please, proceed.

2 BY MS. MEYER:

3 Q. Have you ever been convicted of a felony,
4 Ms. Johnson?

5 A. No. Oh, I'm sorry.

6 Q. Yes is your answer?

7 A. No.

8 Q. No. Okay.

9 MR. FIGUEIREDO: Again, I was motioning for
10 Ms. Johnson to wait until you were done with your
11 question before she answers.

12 BY MS. MEYER:

13 Q. Okay. Did you participate in -- with the
14 investment committee of VTB Bank in making the decision
15 to invest in the software development project that Beau
16 Cameron and Anzhey Barantsevich were presenting?

17 A. Yes.

18 Q. And what was your participation?

19 A. I was participating in the meetings of the
20 investment committee.

21 Q. And who was on that investment committee?

22 A. You want to know the members of the investment
23 committee?

24 Q. Correct.

25 A. Which year? There were different -- different

1 years.

2 Q. Well, why don't we start with 2008.

3 A. 2008 that would be Sergi Romanov, Uri Soliyov,
4 and I -- myself, and Sergi Debenev.

5 Q. Was Andrei Zuzin on that committee?

6 A. Andrei Zuzin was present at the meetings. I
7 don't believe he was a member of the committee.

8 Q. What was Andrei Zuzin's position at the time?

9 A. He was employed by the VTB venture department.

10 Q. And what was his title?

11 A. He was a director.

12 Q. And was he the person in charge of presenting
13 this investment opportunity?

14 A. Yes, he was.

15 Q. Did he have any role in the approval of the
16 investment?

17 MR. FIGUEIREDO: Calls for speculation.

18 To the extent you know, you can answer.

19 THE WITNESS: He was present at the meetings.

20 And -- yeah, all -- he was aware of the company,
21 obviously.

22 BY MS. MEYER:

23 Q. But you don't know whether or not he had a role
24 in the approval of the investment; is that correct?

25 A. Investment could be approved by the committee,

1 was acceptable to her.

2 MS. MEYER: Okay.

3 THE WITNESS: Yeah.

4 MR. FIGUEIREDO: Is there anything else?

5 THE WITNESS: Well, those will be the top ones,
6 yeah.

7 BY MS. MEYER:

8 Q. Okay. Now, you said it was original
9 technology. How did you know that?

10 A. A part of the due diligence process a fund
11 has, usually there are -- are team members who evaluate
12 various aspects of the technology, and that was done for
13 this deal as well.

14 Q. And who were the team members who evaluated
15 aspects of the technology?

16 A. There were members of the VTB venture
17 department and various other departments of VTB. It's a
18 teamwork. There are a lot of people there.

19 Q. Do you know who they are?

20 A. Not all of them.

21 Q. Do you know who some of them were that worked
22 on this particular evaluation?

23 A. Are you asking me for a specific name of a
24 person?

25 Q. Correct.

1 A. If I were to name the most active one,
2 Oleynikov -- O-L-E-Y-N-I-K-O-V.

3 Q. Okay. And Oleynikov, what was his
4 technological background?

5 MR. RAPKIN: Objection; calls for speculation.

6 MR. FIGUEIREDO: Objection; calls for
7 speculation.

8 You can answer to the extent you know.

9 THE WITNESS: He has an engineering background
10 and he graduated from -- from what I remember, one of
11 the top Russian universities -- technical universities.
12 I don't know which one.

13 BY MS. MEYER:

14 Q. Okay. And he was the one who evaluated the
15 software technology?

16 MR. RUBENSTEIN: Objection; misstates her --

17 MR. FIGUEIREDO: Mr. Rubenstein, just an
18 observation, you're coming in softest out of everybody.

19 MR. RUBENSTEIN: Just the furthest away.
20 That's probably the problem.

21 MS. MEYER: If you want to move your chair, you
22 can. But he has a very soft voice in general.

23 I'm sorry. I didn't hear an answer.

24 THE WITNESS: Oleynikov was lead person of the
25 team. And however he got involved, there were other

1 MR. FIGUEIREDO: Same objections. It's a hypo
2 -- calls for speculation. It's a hypothetical -- it's
3 an incomplete hypothetical.

4 MS. MEYER: You can answer the question.

5 THE WITNESS: A project like that would never
6 have made it to the investment committee. That usually
7 is done before -- during the due diligence process.

8 BY MS. MEYER:

9 Q. Okay. During the due diligence process, are
10 you aware of anyone traveling to the United States and
11 actually using the software?

12 MR. RAPKIN: Objection, irrelevant.

13 THE WITNESS: Traveling or using the software?

14 MR. FIGUEIREDO: Objection; vague.

15 THE WITNESS: Who would be --

16 BY MS. MEYER:

17 Q. Are you aware of anybody at VTB Bank actually
18 going to the United States and operating the software?

19 A. What do you mean by "operating the software"?

20 Q. Well, what I mean by it is sitting on a
21 computer and actually trying to operate what the
22 software was and what it was designed to do.

23 MR. FIGUEIREDO: Objection; calls for
24 speculation as to the activities of others.

25 The witness can answer to the extent she has

1 personal knowledge.

2 THE WITNESS: The demo was done by the company
3 as a part of a presentation.

4 BY MS. MEYER:

5 Q. Do you know if it was done before or after the
6 investment?

7 A. If I were to speculate --

8 MR. FIGUEIREDO: Don't -- don't guess.

9 THE WITNESS: No? Okay.

10 MR. FIGUEIREDO: Don't guess.

11 THE WITNESS: I don't know.

12 BY MS. MEYER:

13 Q. You don't know?

14 A. No.

15 Q. Do you know that anything other than the
16 technical report was provided to VTB before the
17 investment was made?

18 A. There was a set of documents -- a standard set
19 of documents, whatever it has in it.

20 Q. And you don't know what that standard set of
21 documents is, correct?

22 A. It's attached to one of those e-mail.

23 Q. So what -- if I recall your testimony, you said
24 that there would have been a business plan most likely.
25 There was a technical report. Was there anything else

1 Q. Did it include more -- the technical report
2 that was attached to the investment memorandum?

3 A. It was part of the business plan, and the
4 business plan has a lot of chapters in it.

5 Q. Okay. And the business plan. Anything else?

6 MR. FIGUEIREDO: Other than what's been talked
7 about for the last 20 minutes?

8 MS. MEYER: I think my question is really
9 clear. I'm asking about the contract now. That is the
10 -- as I understand it, that's the investment memorandum.

11 MR. FIGUEIREDO: Objection; vague as to
12 contract. I've not heard the word "contract" in one of
13 your questions before.

14 BY MS. MEYER:

15 Q. Ms. Johnson, is there any contract between VTB
16 and the developers of this project, Beau Cameron and
17 Anzhey Barantsevich, other than the investment
18 memorandum?

19 MR. FIGUEIREDO: Objection; misstates that the
20 investment memorandum is a contract. Assumes facts not
21 in evidence.

22 MS. MEYER: And speaking objection; I really
23 don't need that.

24 Q. Is there a contract that you're aware of
25 between VTB Bank and the developers of this software?

1 A. Between VTB Bank?

2 Q. Is there a contract? Did VTB Bank invest with
3 no contract?

4 A. VTB Bank is a huge entity.

5 Q. I'm not asking you that. I'm asking you what
6 is the contract reflecting this deal -- this investment
7 deal?

8 A. I -- I don't understand. What contract?

9 Q. You don't know what a contract is?

10 MR. FIGUEIREDO: Ms. Meyer, please ask your
11 next question.

12 BY MS. MEYER:

13 Q. My question is, do you know what a contract is,
14 Ms. Johnson?

15 A. As a legal form?

16 Q. Do you know what an agreement is?

17 A. Yeah, it's a legal form. You're asking me do I
18 know the legal form title contract to an agreement?

19 Q. Or what one is?

20 A. As a legal form, yes.

21 Q. How does VTB reflect in writing what terms it's
22 going to invest in a deal on? Is it in a contract?

23 A. No. There will be an investment decision made
24 within the investment committee.

25 Q. And how it's documented?

1 A. That will be in the minutes of the investment
2 committee decision.

3 Q. And how is the agreement formalized with the
4 other party?

5 A. Well, that I would not know.

6 Q. But you don't know what an investment
7 memorandum is?

8 A. Ms. Meyer, there's a legal department which
9 handles all that at VTB, and I cannot give you the name
10 of the official contract they ended up with.

11 Q. You don't know if they had a contract -- a
12 written contract; is that correct?

13 A. Contract about what?

14 Q. My understanding of your testimony is that VTB,
15 the investment committee, made the decision to invest in
16 ZAO Beau Laboratories, correct?

17 A. They made a decision to make an investment,
18 yes.

19 Q. And then I asked you how they formalized the
20 agreement to invest. And you said you don't know; is
21 that correct?

22 A. Yes.

23 Q. But you don't know what the investment
24 memorandum is; is that correct?

25 MR. FIGUEIREDO: Objection; misstates

1 testimony. The investment memorandum is a separate
2 topic that we've talked about ad nauseam, asked and
3 answered. Ask the question next.

4 MS. MEYER: I want an answer to this question.
5 I don't believe it was asked and answered.

6 MR. FIGUEIREDO: What is the question? Whether
7 she know what an investment memorandum is?

8 BY MS. MEYER:

9 Q. What the investment memorandum in this case is?

10 MR. FIGUEIREDO: She's already testified that
11 she reviewed it.

12 BY MS. MEYER:

13 Q. Do you know what it is?

14 MR. FIGUEIREDO: Objection; vague. I don't
15 even know what you're asking.

16 BY MS. MEYER:

17 Q. Do you understand that document to be the
18 contract between VTB Bank and the entities that were
19 representing or were the product of Beau Cameron and
20 Anzhey Barantsevich?

21 A. What is the entity of Beau Cameron and Anzhey
22 Barantsevich? I am a member of the board of the ZAO
23 Beau Lab Russia. What entity are your referring to?

24 Q. I'm referring to Beau Cameron, Inc.

25 MR. RUBENSTEIN: Objection. This is a lawsuit

1 involving Beau Laboratories Los Angeles.

2 MS. MEYER: You're just being obstreperous at
3 this point. You have no --

4 MR. RUBENSTEIN: I have --

5 MS. MEYER: You know exactly why I'm asking
6 these questions and you have no motivations here other
7 than to obstruct the deposition. If it's irrelevant and
8 not pertaining to anything in particular, why are you so
9 -- making speaking objections and tying up the record
10 for 15 minutes at a time? That's ridiculous.

11 Could you please answer my question.

12 MR. FIGUEIREDO: Ms. Meyer, are you admitting
13 this is irrelevant and has nothing to do with the
14 lawsuit?

15 MS. MEYER: No, I am not, Counsel. It's very
16 relevant and that's exactly why my opposing counsel is
17 making so many objections and trying to stop the
18 deposition from proceeding in a fashion that could be
19 expeditious.

20 MR. RAPKIN: Of course, I have a right to make
21 objections on the record, and the simple objection is
22 irrelevance.

23 BY MS. MEYER:

24 Q. Okay. So, Ms. Johnson, clear this up for me.
25 You don't know in this case whether or not the

1 investment memorandum purports to be the contract
2 between VTB Bank and Beau Cameron, Inc.; is that
3 correct?

4 MR. FIGUEIREDO: Calls for a legal conclusion.

5 Ms. Johnson can answer to the extent of her
6 understanding and knowledge.

7 THE WITNESS: The procedure is after the
8 investment committee approves the investment; then there
9 is, based on that, various legal documents are created.
10 So, yes, the investment was approved. As a member of
11 the investment committee, I participated in it.

12 What were the final documents? That would be
13 up to the VTB's legal department; what format, they
14 chose too. That's why I'm trying to understand your
15 questions.

16 BY MS. MEYER:

17 Q. You don't know what format they chose. You
18 don't know -- is it correct, you don't know if the
19 investment memorandum that you reviewed is, in fact, the
20 contract between VTB Bank and Beau Cameron, Inc.,
21 correct?

22 A. No, that is not correct. I said that I am
23 confident that based on the investment decision made,
24 VTB followed the standard procedure, and they created a
25 standard document just a for every other company.

1 really having a difficult time getting into the mind set
2 of a party that's not a party to this lawsuit. Please
3 explain that to me. Or if you persist with these
4 questions, I'm going to shut it down and ask the witness
5 not to answer.

6 You're asking for the mind set of a company
7 that's not a party. There's confidential, proprietary,
8 trade secret, privacy grounds to object. Please explain
9 it. I'll object and instruct my witness not to answer
10 otherwise.

11 MS. MEYER: So back to this question after I
12 lay the foundation for it. How about that?

13 MR. FIGUEIREDO: Please lay the foundation.

14 BY MS. MEYER:

15 Q. Ms. Johnson, were you on the ZAO board in
16 January of 2010?

17 A. Yes.

18 Q. Who else was on the board with you?

19 A. Different times they have different people. I
20 can give a list of everybody who at some point was
21 associated with the board.

22 Q. Who was on the board in January of 2010 to the
23 best of your recollection?

24 A. 2010, that would be Oleg Oleynikov, Beau, Mark
25 Rabinovich. And then there were two people were added,

1 A. Yes.

2 Q. Did, to your knowledge, VTB ever ask questions
3 about the budgets that were sent to them?

4 A. As a board members?

5 Q. Did VTB Bank ever ask the board members
6 questions about the budget?

7 A. Did VTB Bank -- VTB Bank -- you know, you'll
8 have to be more specific, like who do you have in mind?

9 Q. I'm just asking if any of the accountants at
10 VTB Bank asked questions about the budgets that were
11 submitted or the expense reports submitted?

12 MR. FIGUEIREDO: Calls for speculation.

13 To the extent you have personal knowledge, you
14 can answer.

15 THE WITNESS: Yeah. They didn't ask me.

16 BY MS. MEYER:

17 Q. Okay. Were you aware the board members, that
18 they asked anybody on the board?

19 A. Yes.

20 Q. Who did they ask questions of?

21 A. Zuzin.

22 Q. Zuzin?

23 A. Yes.

24 Q. And do you know what they questioned in
25 particular?

1 A. Yes.

2 Q. And I'm asking what did Beau Cameron, Inc.
3 invest to obtain its shares?

4 A. Know how.

5 Q. Okay. So are you talking about the
6 intellectual property?

7 A. Yes.

8 Q. Okay. Do you recall that a value was assigned
9 to the intellectual property at the time that the
10 investment was made by VTB Bank?

11 MR. FIGUEIREDO: The witness can answer to the
12 extent she knows whether a value was assigned or not.
13 To the extent you asked -- and I'm going to instruct the
14 witness not to disclose the value. That is proprietary
15 information. She can answer as to whether she is aware
16 that a value was assigned.

17 THE WITNESS: Yes, a value was assigned.

18 BY MS. MEYER:

19 Q. Okay. And was that value put in the investment
20 memorandum?

21 A. There was a range put in the investment
22 memorandum.

23 Q. Okay. And do you recall the board ever
24 authorizing to Beau Laboratories to pay Beau Cameron
25 \$250,000 for that intellectual property?

1 MR. FIGUEIREDO: Yeah. Ms. Meyer, that
2 misstates -- misstates prior testimony entirely.

3 MS. MEYER: I didn't ask that question before,
4 so I don't how it could misstate anything prior. I've
5 never asked the gentleman.

6 MR. FIGUEIREDO: That's exactly -- you did not
7 ask that question before, and now you're acting as if
8 you did. You're misstating prior testimony. That is
9 not what the discussion in the past about the legal
10 budget was about at all, Ms. Meyer.

11 MS. MEYER: I didn't say that it was.

12 MR. FIGUEIREDO: You just characterized it as
13 relating to an arbitration. We're now hearing about an
14 arbitration for the first time.

15 MS. MEYER: Legal objection -- thank you.

16 Q. My question to you is, have you ever seen the
17 arbitration decision in the matter between Anzhey
18 Barantsevich and Beau, LLC?

19 A. No.

20 Q. Are you aware that the arbitrator found that
21 Anzhey Barantsevich was entitled to a million-dollar
22 finder's fee for securing the investment from VTB Bank?

23 A. I am not aware.

24 Q. Are you aware that Beau Cameron took \$250,000
25 of that money for himself?

1 Could you read back my last question, please.

2 (Record read.)

3 MS. MEYER: I'll restate it.

4 Q. Are you aware that the arbitration decision
5 leaves open the prospect of Beau Laboratories recovering
6 monies that Beau Cameron took from it?

7 MR. RAPKIN: Objection; irrelevant. Objection;
8 misstate the arbitration decision. Objection; assumes
9 facts not in evidence. Objection; assumes that this
10 witness --

11 MS. MEYER: Okay.

12 MR. RAPKIN: Objection; assumes that this
13 witness would understand any legal conclusions issued by
14 an arbitration decision if she had even read it, which
15 she's said five times she hasn't.

16 MR. FIGUEIREDO: Same objections as before and
17 as Mr. Rabkin.

18 MS. MEYER: You can answer.

19 THE WITNESS: I am not aware.

20 BY MS. MEYER:

21 Q. Okay. As a ZAO board member, do you ever --
22 were you aware that certain of the monies that were
23 funded per the agreement or the deal between VTB Bank
24 and Beau Cameron, Inc. had to remain in industries in
25 Russia? I'm sorry.

1 MR. FIGUEIREDO: Objection; vague.

2 BY MS. MEYER:

3 Q. Was it part of the original deal terms that
4 monies -- part of the monies that were funded had to be
5 spent in Russia?

6 A. That was not phrased like that.

7 Q. Okay. How would you phrase it?

8 A. That the -- Beau -- ZAO Beau Labs had to have a
9 presence in Russia.

10 Q. And did a certain amount of monies have to be
11 spent ^hence in presence of Russia?

12 A. No. They had to develop some IT there --
13 intellectual property there. And -- yeah, that's it.
14 That was the requirement.

15 Q. Okay. And was there any expectation of how
16 much of those monies would have to be used in Russia
17 versus spent in the United States?

18 A. I am not aware of that.

19 Q. Okay. So you're not aware of there being any
20 requirement of that sort?

21 A. Yeah.

22 MR. FIGUEIREDO: Objection; vague as to what
23 sort.

24 THE WITNESS: Right.

25 MS. MEYER: A certain amount of money, other

1 MR. RAPKIN: Objection as to time.

2 THE WITNESS: Yeah, what time?

3 MS. MEYER: I don't have to give you a time.

4 Q. Were you aware at any time?

5 A. Yes.

6 Q. And when were you first aware of that?

7 A. You want a timeframe? I would think -- when
8 was I aware? That would be winter of 2010.

9 Q. Was it -- can you define it any more than that?
10 Was it January, February, March just -- December?

11 A. February probably.

12 Q. And how did you become aware there was a
13 breakdown in the relationship?

14 A. There was an urgent plea for money which the --
15 that second trench -- and the -- VTB needed to see the
16 status of the company, the milestones, so Oleg Oleynikov
17 made a call. And that's when he discovered that there
18 was a dispute, and that's when I learned about it from
19 Oleg.

20 Q. What did Oleg tell you?

21 A. That there is an argument between Beau and
22 Anzhey.

23 Q. Did he tell you what it was about?

24 A. She said they argued about everything.

25 Q. And at that point in time, did the board

1 MR. FIGUEIREDO: Yes.

2 THE WITNESS: That he was not sure what
3 happened in reality.

4 BY MS. MEYER:

5 Q. Okay. Did you ever learn any more information
6 after that conversation with Oleg about their dispute?

7 A. After that, a new person came into VTB venture
8 department, and that person took over the process; so I
9 didn't have to follow the details.

10 Q. Were you removed from some position at VTB?

11 A. No.

12 Q. You said a new person came in and took over the
13 process, who was that person?

14 A. Well, his name is Idar Kaliev -- K-A-L-I-E-V.

15 Q. Okay. Did Idar -- when you say he took over
16 the process, what process are you talking about?

17 A. Finding out what happened with Beau Labs -- ZAO
18 Beau Labs.

19 Q. Okay. And do you know when Idar Kaliev took on
20 that role?

21 A. Yeah, that was that same winter.

22 Q. Okay.

23 A. And I needed to go home, and I happily gave it
24 to him. So I left -- I left Moscow, and that's what I
25 mean by taking over. I had to return home.

1 THE WITNESS: No, I have not talked about those
2 companies.

3 BY MS. MEYER:

4 Q. Did Oleg Oleynikov ever tell you that Anzhey
5 had wired funds to companies that are offshore companies
6 when he should not have?

7 A. Oleg did talk about some allegations that
8 something -- that something like that did happen, but I
9 don't recollect the specific formulation as to what
10 exactly happened.

11 Q. Well, what do you recall Oleg saying?

12 A. That funds were misappropriated.

13 Q. That's all he said, "funds were
14 misappropriated"?

15 A. Well, there probably was more, but -- because
16 it was going back and forth, and it was a never-ending
17 situation. And at some point I just -- yeah. No, I
18 don't remember.

19 Q. Do you know if VTB Bank did any internal
20 investigation to find out if funds were misappropriated?

21 A. It's ongoing.

22 Q. So they're investigating it now?

23 A. They are continuing to investigate the
24 situation with the company, and still -- still trying to
25 understand what -- what's happening there, so it's

1 ongoing.

2 Q. And who is conducting that investigation?

3 A. VTB's venture department.

4 Q. And who is heading that up?

5 A. Mr. Kaliev -- Idar Kaliev.

6 Q. Has anybody at VTB been questioned about their
7 receiving kickbacks?

8 MR. FIGUEIREDO: Objection; calls for
9 speculation.

10 THE WITNESS: I do not know.

11 BY MS. MEYER:

12 Q. What about the gentleman I referred to earlier,
13 Mr. A-Z-A-M-I-R-Z-Y-A-N, do you know if he received any
14 of the monies that were purportedly wired by Anzhey that
15 Oleg is referring to?

16 A. I have no idea what you're talking about.

17 Q. So is that a no?

18 A. I am not aware. I do not know.

19 Q. Did you, yourself, receive any monies of
20 kickbacks?

21 A. I have not.

22 Q. Do you know if there is any investigation of
23 whether you've received any monies?

24 A. No.

25 Q. Do you know what -- what -- you said Idar

1 MR. FIGUEIREDO: Which is did you receive this
2 document?

3 MS. MEYER: Are you still there?

4 THE WITNESS: Yeah. I'm trying to read the
5 document.

6 (Witness examining document.)

7 I have received that document.

8 BY MS. MEYER:

9 Q. And did you understand that document to be from
10 Mark Rabinovich?

11 A. No.

12 Q. Who did you understand the document to be from?

13 A. You know, I'm trying to remember because it was
14 like a year ago. That it was probably sent in a bunch
15 of documents, for the board meeting, from my secretary
16 from VTB venture department; so I assume it came from
17 them.

18 Q. Was the secretary at the venture department the
19 one who sent out all the documents for the board
20 meetings?

21 A. Usually, yeah.

22 Q. And would that include the budgets as well?

23 A. Yeah.

24 Q. Who was that person?

25 A. All different people at different times.

1 Q. Who was it in 2008?

2 A. Oh, that I cannot tell you. You know, that --
3 that person left VTB, and I forgot her name. I can tell
4 who it is now.

5 Q. Okay.

6 A. The secretary is from the protocol office, is
7 Svetlana Zaitseva -- I'll do the last name
8 Z-A-I-T-S-E-V-A -- and sometimes it comes from
9 Oleynikov.

10 Q. And that's where you believe you received this
11 document?

12 A. Probably. I don't remember.

13 Q. Do you recall discussing this document at a
14 board meeting?

15 A. You know, I'm -- I have to think about it.
16 Because there were two documents looking like this, and
17 I don't know which one this one is.

18 Q. Do you recall being at the board meeting that
19 Mark Rabinovich felt that his -- the minutes of a board
20 meeting misrepresented his vote on the board?

21 A. No. I don't remember discussing that, no.

22 Q. You don't recall that occurring?

23 A. I do not remember.

24 Q. Is it that it could have occurred and you may
25 not remember it, or you're sure it did not occur?